

TRUSTEES OF THE TRUST FUNDS
CITY OF PORTSMOUTH, NEW HAMPSHIRE
MINUTES OF JANUARY 10, 2013 MEETING

A regular meeting of the Trustees of the Trust Funds for the City of Portsmouth, New Hampshire was held on January 10, 2013 at the 4th Floor Law Library at Portsmouth City Hall. The meeting was called to order at 7:30 a.m.

Present were Trustees Phyllis Z. Eldridge, Dana S. Levenson and Thomas R. Watson. Also present were Peter Torrey, David Allen, Thomas Dwyer, Benjamin Anderson, Judy Nerbonne and Katherine Crawford.

The minutes of the December 13, 2012 meeting were reviewed and, upon motion duly made and seconded, were approved.

Payroll and operating expense checks were reviewed and signed.

Ms. Eldridge reported that two connectors on the T portion of the cement floats which are part of the docking system suffered damage in a recent storm and will require replacement for the docks to be usable. She reported on the receipt of a cost estimate for repairs of \$1,700-\$1,800 from Bryan Bush of Pepperrell Cove Marine Services. Given the need to repair the connectors before the season starts or further damage occurs in upcoming storms, it was resolved to proceed with retaining Pepperrell Cove Marine to perform the repairs.

Ms. Eldridge reported on the receipt of an inquiry by Robert Snover on the dock replacement project. A discussion then ensued on the status of the project. Mr. Allen reported that the project is part of the Capital Improvement Plan currently working its way through the city budgeting process.

Judy Nerbonne appeared on behalf of the Fairy House Tour. She reported that the tour is looking to upgrade its production next year by presenting an exhibit of these houses with designer wreaths. At the end of the tour, the wreaths and houses will be sold at a silent auction with the proceeds from the sale going to the backpack program which is part of "End 68 Hours of Hunger-Portsmouth". Ms. Nerbonne requested use of the Schaeff Warehouse for the display and auction. It was noted that the warehouse tour takes place after the New Hampshire Art Association concludes its use of the Schaeff Warehouse. After further discussion, subject to the condition that the proceeds go to the backpack program, it was unanimously voted to approve the request.

Mr. Anderson and Mr. Dwyer next addressed the Trustees on behalf of Prescott Park Arts Festival. They inquired as to the Trustees' current position on further use of the Shaw Building by PPAF. The Trustees responded that the request put forth by PPAF in November for 200 square feet of space on the first floor of the building and the ability to cordon off a transit way between the building and the stage had been rejected. An extended discussion then ensued concerning possible ways to address the unsightly accumulation of show-related tents, trailers and other materials behind the stage during the season and possible uses of the Shaw Building to alleviate the condition. Mr. Watson reiterated his suggestion at earlier meetings that the PPAF prepare a needs analysis of each of the backstage functions, identifying the function, the amount

of the square feet necessary for the function, and other qualities associated with that function (security, proximity to stage, protection from weather, etc.) so that the PPAF's request for additional space can be addressed on an item-by-item basis.

PPAF was requested to provide Mr. Warhurst with a set of keys to its sound and lighting building so that he will have access to the building in the event of an emergency when representatives of PPAF are not on site. Mr. Anderson agreed to provide a set of keys to Mr. Warhurst.

The final version of the lease agreement between PPAF and the City of Portsmouth concerning the concession building was presented and reviewed by the Trustees and, thereafter, unanimously approved by them. Ms. Eldridge was asked to execute the agreement on behalf of the Trustees.

Mr. Torrey reported on the receipt of a check from Mt. Washington Assurance Company for the settlement of the claim concerning damage to one of the light poles last summer. He also reported on receipt of the initial check of funds to be used to establish the "Army-Navy" trust.

Mr. Torrey delivered a draft of a proposed "Signatories, Checks & Electronic Funds Transfer Policy" and led a discussion concerning its contents. At the conclusion of the discussion, Mr. Torrey was asked to seek out the final review and approval by Attorney Sullivan of this draft and then report the results back to the Trustees before a final review and approval of the policy.

The Trustees unanimously voted to approve a request for a \$7,586 wire transfer to City College Dublin for the tuition payment of one of the Future's students.

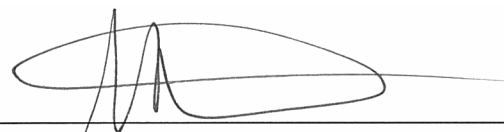
Mr. Torrey distributed and presented a brief overview of the investment and growth results of the trust funds under the purview of the Trustees for 2012. It was noted that the annualized average of all funds for the year was 10.0%.

Mr. Torrey then distributed and presented an overview of the year-end revenue and expense summaries for the Prescott Trust Fund and the Marine Maintenance Trust Fund.

Ms. Eldridge reported on the receipt of a letter from the Gundalow Company expressing its interest in using the Schaeff Warehouse for an historic and educational display relating to the Gundalow in the event the New Hampshire Art Association ceases to use the warehouse. It was noted that NHAA has no plans to discontinue its use of the warehouse so no action was necessary on the letter.

The chair reported that the next meeting will take place on January 24, 2013.

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 9:30 a.m.

A handwritten signature in black ink, appearing to read "Thomas R. Watson", is written over a horizontal line. The signature is stylized with a large loop and a long horizontal stroke extending to the right.

Thomas R. Watson, Secretary